

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;  
Nanci E. Langley, Vice Chairman;  
Mark Acton; and  
Robert G. Taub

Bloomington Post Office  
Bloomington, Idaho

Docket No. A2012-2

ORDER AFFIRMING DETERMINATION

(Issued January 24, 2012)

I. INTRODUCTION

On December 15, 2011, the Postal Service advised the Commission that it “will delay the closing or consolidation of any Post Office until May 15, 2012.”<sup>1</sup> The Postal Service further indicated that it “will proceed with the discontinuance process for any Post Office in which a Final Determination was already posted as of December 12, 2011, including all pending appeals.” *Id.* It stated that the only “Post Offices” subject to closing prior to May 16, 2012 are those that were not in operation on, and for which a Final Determination was posted as of, December 12, 2011. *Id.* It affirmed that it “will not close or consolidate any other Post Office prior to May 16, 2012.” *Id.* at 2. Lastly, the Postal Service requested the Commission “to continue adjudicating appeals as provided in the 120-day decisional schedule for each proceeding.” *Id.*

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<sup>1</sup> United States Postal Service Notice of Status of the Moratorium on Post Office Discontinuance Actions, December 15, 2011, at 1 (Notice).

The Postal Service's Notice outlines the parameters of its newly announced discontinuance policy. Pursuant to the Postal Service's request, the Commission will fulfill its appellate responsibilities under 39 U.S.C. § 404(d)(5).

On October 5, 2011, Dale Thornock (Petitioner Thornock) filed a petition with the Commission seeking review of the Postal Service's Final Determination to close the Bloomington, Idaho post office (Bloomington post office).<sup>2</sup> An additional petition for review was received from Kelly and Julie Payne (Petitioners Payne).<sup>3</sup> The Final Determination to close the Bloomington post office is affirmed.

## II. PROCEDURAL HISTORY

On October 7, 2011, the Commission established Docket No. A2012-2 to consider the appeal, designated a Public Representative, and directed the Postal Service to file its Administrative Record and any responsive pleadings.<sup>4</sup>

On October 19, 2011, the Postal Service filed the Administrative Record with the Commission.<sup>5</sup> The Postal Service also filed comments requesting that the Commission affirm its Final Determination.<sup>6</sup>

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<sup>2</sup> Petition for Review received from Dale Thornock regarding the Bloomington, Idaho post office 83223, October 5, 2011 (Thornock Petition). The Petition contains 92 signatures of people opposing the closure of the Bloomington post office. Petitioner Thornock also submitted a letter opposing the closure of the Bloomington post office. Letter received from Dale Thornock regarding the Bloomington, Idaho post office 83223, October 13, 2011.

<sup>3</sup> Petition for Review received from Kelly and Julie Payne regarding the Bloomington, Idaho post office 83223, October 5, 2011 (Payne Petition).

<sup>4</sup> Order No. 898, Notice and Order Accepting Appeal and Establishing Procedural Schedule, October 7, 2011.

<sup>5</sup> The Administrative Record is attached to the United States Postal Service Notice of Filing, October 19, 2011 (Administrative Record). The Administrative Record includes, as Item No. 47, the Final Determination to Close the Bloomington, Idaho Post Office and Extend Service by Highway Contract Route Service (Final Determination).

<sup>6</sup> United States Postal Service Comments Regarding Appeal, November 28, 2011 (Postal Service Comments).

On October 18, 2011, Nada Jean Thomas submitted a letter opposing the closure.<sup>7</sup> On November 7, 2011, Petitioner Thornock filed a participant statement supporting his Petition.<sup>8</sup> On December 8, 2011, the Public Representative filed a reply brief.<sup>9</sup>

### III. BACKGROUND

The Bloomington post office provides retail postal services and service to 104 post office box customers. Final Determination at 2. No delivery customers are served through this post office. The Bloomington post office, an EAS-11 level facility, has retail access hours of 8:00 a.m. to 1:00 p.m. and 1:30 p.m. to 4:00 p.m., Monday through Friday, and 8:00 a.m. to 10:00 a.m. on Saturday. Lobby access hours are 24 hours daily.

The postmaster position became vacant on June 30, 2010 when the Bloomington postmaster retired. An officer-in-charge (OIC) was installed to operate the post office. Retail transactions average 12 transactions daily (14 minutes of retail workload). Post office receipts for the last three years were \$31,936 in FY 2008; \$24,727 in FY 2009; and \$19,815 in FY 2010. There are no permit or postage meter customers. By closing this post office, the Postal Service anticipates savings of \$43,376 annually. *Id.* at 6.

After the closure, retail services will be provided by the Montpelier post office located approximately 12 miles away.<sup>10</sup> Delivery service will be provided to cluster box units (CBUs), by highway contract route service through the Montpelier post office. The Montpelier post office is an EAS-18 level post office, with retail hours of 7:30 a.m. to 4:30 p.m., Monday through Friday, and 8:30 a.m. to 12:30 p.m. on Saturday. Twenty-two (22) post office boxes are available. *Id.*

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<sup>7</sup> Letter regarding the Bloomington, Idaho post office 83223, October 18, 2011 (Thomas Letter).

<sup>8</sup> Participant Statement received from Dale Thornock, November 7, 2011 (Participant Statement).

<sup>9</sup> Reply Brief of the Public Representative, December 8, 2011 (PR Reply Brief).

<sup>10</sup> MapQuest estimates the driving distance between the Bloomington and Montpelier post offices to be approximately 12.37 miles (15 minutes driving time).

Retail services will also be available at the Paris post office, located approximately 2 miles away.<sup>11</sup> The Paris post office is an EAS-11 level post office, with retail hours of 8:00 a.m. to 2:00 p.m. and 2:30 p.m. to 4:30 p.m., Monday through Friday, and 9:30 a.m. to 10:30 a.m. on Saturday. Fifty-nine (59) post office boxes are available. *Id.* The Postal Service will continue to use the Bloomington name and ZIP Code. *Id.* at 5, Concern No. 1.

#### IV. PARTICIPANT PLEADINGS

*Petitioners.* Petitioners oppose the closure of the Bloomington post office. They express concerns that the closure will have a detrimental effect on the community because the Bloomington post office is the hub of the community. Participant Statement at 1; Payne Petition; Thomas Letter. They express concerns about the impact on senior citizens, who would have difficulty traveling to other post offices for services. Participant Statement at 2; Payne Petition.

*Postal Service.* The Postal Service argues that the Commission should affirm its determination to close the Bloomington post office. Postal Service Comments at 2. The Postal Service believes the appeal raises three main issues: (1) the effect on postal services; (2) the impact on the Bloomington community; and (3) the economic savings expected to result from discontinuing the Bloomington post office. *Id.* at 1-2. The Postal Service asserts that it has given these and other statutory issues serious consideration and concludes that the determination to discontinue the Bloomington post office should be affirmed. *Id.* at 2.

The Postal Service explains that its decision to close the Bloomington post office was based on several factors, including:

- the postmaster vacancy;
- low office revenue;

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<sup>11</sup> MapQuest estimates the driving distance between the Bloomington and Paris post offices to be approximately 2.8 miles (3 minutes driving time).

- a variety of other delivery and retail options (including nearby retail service);
- minimal impact on the community; and
- expected financial savings.

*Id.* at 4. The Postal Service contends that it will continue to provide regular and effective postal services to the Bloomington community when the Final Determination is implemented. *Id.*

The Postal Service also asserts that it has followed all statutorily required procedures and has addressed the concerns raised by Petitioners regarding the effect on postal services, the effect on the Bloomington community, economic savings, and the effect on postal employees. *Id.* at 4-10.

*Public Representative.* The Public Representative states that the Final Determination to close the Bloomington post office appears procedurally in order. PR Reply Brief at 3. However, he questions whether the 104 post office box customers in the Bloomington community will continue to receive regular and effective postal services when the Montpelier post office only has 22 post office boxes available. *Id.* at 2. The Public Representative also contends that the Postal Service will not realize the full amount of its estimated economic savings, as the Bloomington post office is operated by an OIC at a lower salary than a postmaster. The Public Representative notes that the Postal Service has not provided guidance on how far, in time and distance, is too far for customers to travel to receive regular and effective postal services. *Id.* The Public Representative concludes that no persuasive argument has been presented that would prevent the Commission from affirming the decision to close the Bloomington post office. *Id.* at 3.

## V. COMMISSION ANALYSIS

The Commission's authority to review post office closings is provided by 39 U.S.C. § 404(d)(5). That section requires the Commission to review the Postal

Service's determination to close or consolidate a post office on the basis of the record that was before the Postal Service. The Commission is empowered by section 404(d)(5) to set aside any determination, findings, and conclusions that it finds to be (a) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law; (b) without observance of procedure required by law; or (c) unsupported by substantial evidence in the record. Should the Commission set aside any such determination, findings, or conclusions, it may remand the entire matter to the Postal Service for further consideration. Section 404(d)(5) does not, however, authorize the Commission to modify the Postal Service's determination by substituting its judgment for that of the Postal Service.

A. Notice to Customers

Section 404(d)(1) requires that, prior to making a determination to close any post office, the Postal Service must provide notice of its intent to close. Notice must be given 60 days before the proposed closure date to ensure that patrons have an opportunity to present their views regarding the closing. The Postal Service may not take any action to close a post office until 60 days after its determination is made available to persons served by that post office. 39 U.S.C. § 404(d)(4). A decision to close a post office may be appealed within 30 days after the determination is made available to persons served by the post office. 39 U.S.C. § 404(d)(5).

The Administrative Record indicates the Postal Service took the following steps in reaching its Final Determination. On April 14, 2011, the Postal Service distributed questionnaires to customers regarding the possible change in service at the Bloomington post office. Final Determination at 2. A total of 104 questionnaires were distributed to delivery customers. Other questionnaires were made available at the retail counter. A total of 47 questionnaires were returned. On April 21, 2011, the Postal Service held a community meeting at the Bloomington post office to address customer concerns. Thirty-eight (38) customers attended. *Id.*

The Postal Service posted the proposal to close the Bloomington post office with an invitation for comments at the Bloomington, Paris, and Montpelier post offices from May 26, 2011 through July 27, 2011. Administrative Record, Item No. 36. The Final Determination was posted at the Bloomington post office on September 15, 2011 and remains posted due to the appeal. Administrative Record, Item No. 49.

It is unclear whether the Final Determination posted at the Montpelier and Paris post offices was consistent with Postal Service regulations. However, timely petitions for review were filed, and the appeal has been adjudicated before the Commission based on the Administrative Record developed below. As the Commission previously stated, under these circumstances, failing to post the Final Determination at all affected post offices may be fairly characterized as harmless error.<sup>12</sup> The Commission reiterates that the Postal Service should take care to ensure that both the proposal and Final Determination are posted at all affected post offices consistent with Postal Service regulations pertaining to discontinuance review. *Id.*

The Postal Service has satisfied the notice requirements of 39 U.S.C. § 404(d).

#### B. Other Statutory Considerations

In making a determination on whether or not to close a post office, the Postal Service must consider the following factors: the effect on the community; the effect on postal employees; whether a maximum degree of effective and regular postal service will be provided; and the economic savings to the Postal Service. 39 U.S.C. § 404(d)(2)(A).

*Effect on the community.* Bloomington, Idaho is an unincorporated community located in Bear Lake County, Idaho. Administrative Record, Item No. 16. The community is administered politically by Bloomington City. Police protection is provided by the Bear Lake County Sheriff. Fire protection is provided by Bear Lake County. The

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<sup>12</sup> See Docket No. A2011-97, Order No. 1136, Order Affirming Determination, January 17, 2012, at 7.

community is comprised of retirees, farmers, and those who work in local businesses or commute to work in nearby communities. *Id.* Residents may travel to nearby communities for other supplies and services. See *generally* Administrative Record, Item No. 22 (returned customer questionnaires and Postal Service response letters).

As a general matter, the Postal Service solicits input from the community by distributing questionnaires to customers and holding a community meeting. The Postal Service met with members of the Bloomington community and solicited input from the community with questionnaires. In response to the Postal Service's proposal to close the Bloomington post office, customers raised concerns regarding the effect of the closure on the community. Their concerns and the Postal Service's responses are summarized in the Final Determination. Final Determination at 5.

Petitioners contend that the post office is the hub of the Bloomington community, particularly for its elderly residents, and that the community would suffer if it were taken away. The Postal Service states that a community's identity comes from the interest and vitality of its residents who will continue to use the Bloomington name and ZIP Code. Postal Service Comments at 7-8.

The Postal Service has adequately considered the effect of the post office closing on the community as required by 39 U.S.C. § 404(d)(2)(A)(i).

*Effect on employees.* The Postal Service states that the Bloomington postmaster retired on June 30, 2010 and that an OIC has operated the Bloomington post office since then. Final Determination at 6. It asserts that after the Final Determination is implemented, the temporary OIC may be separated and that no other Postal Service employee will be adversely affected. Postal Service Comments at 10.

The Postal Service has considered the possible effects of the post office closing on the OIC and has satisfied its obligation to consider the effect of the closing on employees at the Bloomington post office as required by 39 U.S.C. § 404(d)(2)(A)(ii).

*Effective and regular service.* The Postal Service contends that it has considered the effect the closing will have on postal services provided to Bloomington customers. Postal Service Comments at 4. It asserts that customers of the closed Bloomington



post office may obtain retail services at the Montpelier post office located 12 miles away. Final Determination at 2. Delivery service will be provided by highway contract route service through the Montpelier post office to CBUs. The 104 post office box customers may obtain Post Office Box service at the Montpelier post office, which has 22 boxes available. Fifty-nine (59) post offices boxes are also available at the Paris post office located 2 miles away. *Id.*

For customers choosing not to travel to the Montpelier post office, the Postal Service explains that retail services will be available from the carrier. *Id.* at 3. The Postal Service adds that it is not necessary to meet the carrier for service since most transactions do not require meeting the carrier at the mailbox. *Id.*

Petitioners express concerns about the impact on senior citizens, who would have difficulty traveling to other post offices for service. The Postal Service responds that carrier service is beneficial to many senior citizens and those who face special challenges because they do not have to travel to the post office for service. Postal Service Comments at 5. It notes that most transactions do not require meeting the carrier at the mailbox. *Id.*

The Public Representative questions whether the 104 post office box customers in the Bloomington community will continue to receive regular and effective postal services when the Montpelier post office only has 22 post office boxes available. PR Reply Brief at 2. The Public Representative concedes that it is reasonable to assume that some customers will switch to highway contract service, including deliver to CBUs, but would find it more assuring if the Postal Service would guarantee Post Office Box service at nearby post offices. *Id.*

The Administrative Record indicates that there are 22 post office boxes available at the Montpelier post office, and there are 59 boxes available at the Paris post office. Final Determination at 2. Given that the Postal Service is installing CBUs and has a number of boxes available at nearby post offices, Bloomington customers will continue to receive regular and effective service via delivery to CBUs or post office boxes at a nearby facility. As the Commission has noted previously, the Postal Service should

ensure that an adequate number of post office boxes will be available at nearby post offices to meet demand.<sup>13</sup>

The Postal Service has considered the issues raised by customers concerning effective and regular service as required by 39 U.S.C. § 404(d)(2)(A)(iii).

*Economic savings.* The Postal Service estimates total annual savings of \$43,376. Final Determination at 6. It derives this figure by summing the following costs: postmaster salary and benefits (\$44,279) and annual lease costs (\$7,452), minus the cost of replacement service (\$8,355). A one-time expense of \$15,983 will be incurred for the movement of this facility. *Id.*

The Public Representative disputes the Postal Service's calculation of economic savings, because the Bloomington post office is operated by an OIC at a lower salary than a postmaster. PR Reply Brief at 2. He also states that the calculated economic savings further assumes that the OIC will be terminated rather than reassigned. *Id.*

The Commission has previously observed that the Postal Service should include in its estimate of savings those costs likely to be eliminated by the closing. The Bloomington post office postmaster retired on June 30, 2010. Final Determination at 6. The post office has since been staffed by a non-career OIC who, upon discontinuance of the post office, may be separated from the Postal Service. The postmaster position and the corresponding salary will be eliminated. See, e.g., Docket No. A2011-67, United States Postal Service Comments Regarding Appeal, October 24, 2011, at 13; Docket No. A2011-68, United States Postal Service Comments Regarding Appeal, November 2, 2011, at 10. Furthermore, notwithstanding that the Bloomington post office has been staffed by an OIC for over one year, even assuming the use of the presumably lower OIC salary, the Postal Service would have satisfied the requirements of section 404(d)(2)(A)(iv).

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<sup>13</sup> See Docket No. A2011-98, Order No. 1137, Order Affirming Determination, January 17, 2012; Docket No. A2011-75, Order No. 1114, Order Affirming Determination, January 9, 2012, at 9; Docket No. A2011-66, Order No. 1107, Order Affirming Determination, January 5, 2012, at 8.

The Postal Service has satisfied the requirement that it consider economic savings as required by 39 U.S.C. § 404(d)(2)(A)(iv).

## VI. CONCLUSION

The Postal Service has adequately considered the requirements of 39 U.S.C. § 404(d). Accordingly, the Postal Service's determination to close the Bloomington post office is affirmed.

*It is ordered:*

The Postal Service's determination to close the Bloomington, Idaho post office is affirmed.

By the Commission.

Shoshana M. Grove  
Secretary

## DISSENTING OPINION OF CHAIRMAN GOLDWAY

The Administrative Record is inaccurate with regard to economic savings. As such, the Postal Service has not adequately considered economic savings as required by 39 U.S.C. § 404(d)(2)(A)(iv).

The Postal Service argues that savings should be calculated based on a full-time postmaster's salary. Yet the Bloomington post office has been operated by an officer-in-charge (OIC) since the former postmaster retired on June 30, 2010. On the one hand, the Postal Service argues that the effect on employees of this closing will be minimal because only an OIC will be eliminated; yet on the other hand, it argues that the savings should be calculated using a full-time position.

Also, the Postal Service already claims billions of dollars in savings from reducing labor costs. The savings from substituting OICs in postmaster positions throughout the nation has already been included in those billions. Counting the savings of a full postmaster salary is in effect double counting. There are inherent and blatant contradictions in the Administrative Record that must be corrected on remand.

It is not the statutory responsibility of the Commission to correct the Administrative Record for the Postal Service and certainly not to make its own surmise about what and/or whether there would be savings if accurate data was in the Administrative Record. Therefore, the decision to close should be remanded to the Postal Service to correct the Administrative Record and present a more considered evaluation of potential savings.

I am also concerned about the 12.37-mile distance between the Bloomington post office and the administrative office in Montpelier that is offered as a substitute. Several members of Congress have publicly expressed concern that post offices that are 10 miles apart should be maintained in rural areas. The Postmaster General has expressed interest in finding other ways to serve such distant post offices rather than

close them altogether. Recent legislation has been introduced precluding the closure of a post office in cases where the nearest post office is more than 10 miles away. The Commission in its recent Advisory Opinion, Docket No. N2011-1, found that using optimization modeling, the Postal Service could make better choices about which post offices to close that would assure adequate access in rural areas. This closing should be reconsidered.

Further, the Commission has often expressed a concern—I have consistently expressed the concern—that the maintenance of adequate service requires providing an adequate number of post office boxes in the receiving facility. The Bloomington post office provides service to 104 post office box customers. The replacement post offices in Montpelier and Paris have only 22 and 59 post office boxes available, respectively, fewer than the number displaced. Thus, the Administrative Record does not show that the Postal Service has sufficiently considered the issues raised by customers concerning effective and regular service as required by 39 U.S.C. § 404(d)(2)(A)(iii).

Moreover, the Postal Service recently announced a moratorium on post office closings. It is confusing and perhaps unfair to require some citizens whose post offices have received a discontinuance notice as of December 12, 2011 to gather evidence and pursue an appeal to the Commission, while others whose post offices were in the review process, but had not yet received a discontinuance notice by December 12, 2011 have the respite of a 5-month moratorium.

The citizens of Bloomington, Idaho and their concerns regarding the loss of a neighborhood post office should be afforded the same opportunity to be heard and considered as the citizens of the approximately 3,700 post offices fully covered by the moratorium.

Ruth Y. Goldway

## DISSENTING OPINION OF VICE CHAIRMAN LANGLEY

The Postal Service did not adequately consider the economic savings as required by 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service should take into consideration that a non-career postmaster relief (PMR) has been in charge of this facility since June 2010, not an EAS-11 postmaster, and reflect the PMR's salary and benefits in its cost savings analysis. As a government entity, the Postal Service should ensure that its cost/benefit analysis accurately identifies capturable cost savings and does not overstate savings.

I find that the Postal Service's decision to discontinue operations at the Bloomington post office is unsupported by evidence on the Administrative Record and thus, should be remanded.

Nanci E. Langley